GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3817
ANSWERED ON:13.12.2002
EXPORT OF SUGAR
MANIKRAO HODLYA GAVIT

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the targeted quantum of sugar to be exported during 2002-2003 and the quantum exported till date, country-wise;

(b) the export order received by the country for the current financial year;

(c) whether the rate at which sugar is to be exported is lesser than the market rates prevalent in the country;

(d) if so, the amount of loss likely to be accrued from this export; and

(e) the steps proposed to be taken by the Government to ensure that sugar prices do not rise due to this export?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SH KRISHNAM RAJU)

(a)&(b): Export of sugar is allowed under the Open General Licence (O.G.L.) and various sugar mills/exporters are exporting sugar as per their commercial prudence. There is no target fixed for export of sugar.

As per Directorate General of Commercial Intelligence and Statistics (DGCI&S), Kolkata, a quantity of 3,48,350 MTs of sugar has been actually exported during the financial year 2002-2003 (upto July, 02). The country-wise details are given at Annexe.

(c): Generally, the rate at which the sugar is supplied by the sugar mills for export purposes, is lower than the open market prices of sugar.

(d): Since the exports of sugar are under O.G.L. and are being undertaken by various exporters/ sugar mills, it is not possible to quantify the loss on export. However, in order to boost the export of sugar, the Government is providing following incentives:-

i) The sugar meant for export has been exempted from the levy obligation.

ii) The quantity of sugar released for export is treated as advance freesale release, to be adjusted in the freesale stocks of the sugar factories, after a period of 18 months.

iii) Duty Exemption Pass Book (DEPB) Scheme at the rate of 4% of the F.O.B. value of export is allowed.

iv) The Sugar Development Fund (SDF) Act, 1982 and the SDF Rules 1983 have been amended enabling reimbursement of the internal transport & freight charges on export shipments of sugar.

(e): Due to high level of production of sugar during the last four consecutive sugar seasons, there has been accumulation of surplus sugar in the country and as such, the export of sugar is not likely to have any adverse effect on the prices of sugar in the open market.

ANNEX
ANNEX REFERRED TO IN REPLY TO PARTS (a)&(b) OF UNSTARRED QUESTION NO. 3817 DUE FOR ANSWER ON 13-12-2002 IN THE LOK SABHA.

COUNTRY-WISE EXPORT OF SUGAR DURING THE FINANCIAL YEAR 2002-2003 (UPTO JULY 2002)

Qty. in tonnes
Value Rs. In lakhs

Sl.No	Country	2002-2003	
		Quantity	Value

1. Afghanistan 4020 428.00

2. Bangladesh 27285 2788.74

3. Belgium 9000 2275.09

4. Baharain 227 26.19

5. Canada 628 80.48
6. Chinese Taipei 1712 175.30

7 China

8. Djibouti

9. Ethiopia
10. German F Rep. 1931 239.11
11. Hong Kong 416 66.16
12. Indonesia 4595 501.08
13. Iran 7298 804.13
14. Italy 299 60.52
15. Kuwait 539 61.87
16. Malagasy RP 588 62.15
17. Malaysia 117041 11945.03
18. Maldives 1437 204.42
19. Nepal 1527 195.79
20. Pakistan 2754 286.57
21. Phillipines
22. Portugal
23. Saudi Arabia 265 19.79
24. Singapore 10377 1166.63
25. Somalia 200 22.80
26. Srilanka 100229 10720.83
27. Sudan
28. Tanzania 601 72.59
29. UAE 37251 4311.58
30. U.K. 146 18.49
31. USA 8388 1477.73
32. Vietnam 4555 511.28
33. Yemen Republic
34. Others 5041 566.36

Total 348350 39088.71

Source: Directorate General of Commercial Intelligence & Statistics, Ministry of Commerce,